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2 June 1961

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MEMORANDUM FOR THE RECORD

SUBJECT: Relations with Manolo RAY and the MRP

1. For background see my memorandum of 12 May 1961, reporting on my long session with Manolo RAY, Rogelio CISNEROS (Eugenio) and Ernesto BETANCOURT. As will be noted in that memorandum, Manolo promised to come up with a prospectus within approximately ten days' time, after consulting with his leaders in Cuba.

2. On 1 June 1961 Mr. Barnes called me to say that Mr. Goodwin had been visited by Mr. Ernesto BETANCOURT who asked for immediate financial support for certain activities of the MRP which would run around \$10,000 dollars. Mr. Barnes asked me to contact BETANCOURT for the purpose of ascertaining what the funds were to be used for, exactly how much needed, etc. I called BETANCOURT and he told me that I should get these details from CISNEROS (Eugenio), who was staying at room 549 at the Washington Hotel. I called Eugenio and made a date for me and Ray DuBois (Ray Adams is the name he uses with Ray and Cisneros) to call upon him. We called on CISNEROS at approximately 1845 hours 1 June, and he informed us that he had urgent need for pesos for use in support of his sabotage and underground activities in Cuba. He said his people were absolutely without funds, needed money for living expenses, transportation, purchase of sabotage equipment, air fares for couriers, and for assisting people to get out of prison. He said that it was now possible for people to buy their way out of prison by bribing one of the many "communist" lawyers and judges. He thought that 40,000 or 50,000 (pesos?) would meet immediate needs and that some sort of arrangement should be made to receive funds - 30,000 monthly or thereabouts - on a fixed and permanent basis.

3. We made no commitment to Eugenio other than to say that we would pass his plea along to the interested people. I reminded him that we had asked him and Manolo to prepare a plan for consideration and that we were still waiting for that plan. I said I personally doubted that anything could be done until the plan was received from RAY. He said Manolo was planning to come to Washington on the afternoon of 2 June with the plan, but that he himself was having to return to Miami immediately and it was vital he be able to take the money with him, arrange in Miami for purchase of the pesos (at rate of 4 x 1 - pesos?).

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money already in Cuba - dollars would be delivered to owners of the pesos who are in Miami). I told him I would call him in the morning to let him know how things stood.

4. I discussed our meeting with CISNEROS with Tracy Barnes on the morning of 2 June. It was Tracy's opinion, in which I heartily concur, that we should put out no money whatsoever until we have had a chance to examine Manolo's plan and to study just what repercussions or ramifications there would be, policy-wise and otherwise, to a decision to assist the MRP unilaterally; that is, outside the Council and presumably without MRO's knowledge or consent. Since RAY has withdrawn his group from the Council with a great deal of fanfare, it is most unlikely that MRC would look kindly on any assistance to RAY, especially since he feels he has a rasher firm promise from the President to deal only through MRC.

5. RAY, upon arrival in Washington, will presumably take his plan (along with BETANCOURT) directly to Mr. Goodwin and I would also presume that Goodwin will pass it down to Tracy and Tracy to us. Ray DuBois, who has been Manolo's case officer, is standing by in the event he should be needed.

6. I personally feel very strongly that we should do nothing to support the plan, whatever it is, until we have received from the White House and the Department clear-cut, unequivocal policy guidance on the overall plan. I also feel that now is the time, if we are going to support the MRP unilaterally, to insert a non-official cut out into the operation. I would recommend that consideration be given to using [Mr. Harry Pieper (a WAVE contract employee)] on this job. Harry is temperamentally suited, has a good business head, is fluent in Spanish (lived 28 years in Cuba), is cleared, follows directions, completely honest and tremendously conscientious. It would be harder to find a better person.

7. Also, I would like to point out the security risks inherent in any arrangements with the RAY-BETANCOURT-CISNEROS trio. These fellows have had easy access to the White House and to the Department, are notorious for their "planned leaks", will probably presume all the Department officials they deal with are privy to the arrangement, and before we know it the whole exile community will be well aware that we are providing financial and material support to the RAY group. I am not arguing against providing such support, but am merely pointing out the real potential for embarrassment to us if the matter is not handled with the greatest of precautions. I feel they have become too closely identified with U. S. -officialdom, including myself, and that the plausible denial aspects, to date at least, are almost non-existent.

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John G. Paul
James A. Noel
[Signature]

cc: A/DDP/A
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